

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

RTI HOLDING COMPANY, LLC, *et al.*,¹

Debtors.

)

)

)

)

)

)

)

)

)

Chapter 11

Case No. 20-12456 (JTD)

(Jointly Administered)

Hearing Date: January 22, 2021 at 1:00 p.m. (ET)

Objection Deadline: January 19, 2021 at 4:00 p.m. (ET)

**STATEMENT OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS REGARDING THE DEBTORS'
KEY EMPLOYEE INCENTIVE PROGRAM MOTION**

The Official Committee of Unsecured Creditors (the “**Committee**”) of the debtors and debtors-in-possession (collectively, the “**Debtors**” or the “**Company**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) hereby files this statement (the “**Statement**”) regarding the Debtors’ motion to approve (i) a key employee incentive program (the “**KEIP**”) for five Senior Leadership Employees and (ii) a key employee retention program (the “**KERP**”) for 48

¹ The Debtors in these chapter 11 cases and the last four digits of each Debtor’s U.S. tax identification number are as follows: RTI Holding Company, LLC (4966); Ruby Tuesday, Inc. (5239); Ruby Tuesday, LLC (1391); RTBD, LLC (6505); RT of Carroll County, LLC (8836); RT Denver Franchise, L.P. (2621); RT Detroit Franchise, LLC (8738); RT Distributing, LLC (6096); RT Finance, LLC (7242); RT FL Gift Cards, Inc. (2189); RT Florida Equity, LLC (7159); RT Franchise Acquisition, LLC (1438); RT of Fruitland, Inc. (1103); RT Indianapolis Franchise, LLC (6016); RT Jonesboro Club (2726); RT KCMO Franchise, LLC (7020); RT Kentucky Restaurant Holdings, LLC (7435); RT Las Vegas Franchise, LLC (4969); RT Long Island Franchise, LLC (4072); RT of Maryland, LLC (7395); RT Michiana Franchise, LLC (8739); RT Michigan Franchise, LLC (8760); RT Minneapolis Franchise, LLC (2746); RT Minneapolis Holdings, LLC (7189); RT New England Franchise, LLC (4970); RT New Hampshire Restaurant Holdings, LLC (7438); RT New York Franchise, LLC (1154); RT Omaha Franchise, LLC (7442); RT Omaha Holdings, LLC (8647); RT One Percent Holdings, LLC (6689); RT One Percent Holdings II, LLC (2817); RT Orlando Franchise, LP (5105); RT Restaurant Services, LLC (7283); RT South Florida Franchise, LP (3535); RT Southwest Franchise, LLC (9715); RT St. Louis Franchise, LLC (6010); RT Tampa Franchise, LP (5290); RT Western Missouri Franchise, LLC (6082); RT West Palm Beach Franchise, LP (0359); RTTA, LP (0035); RTT Texas, Inc. (2461); RTTT, LLC (9194); Ruby Tuesday of Allegany County, Inc. (8011); Ruby Tuesday of Bryant, Inc. (6703); Ruby Tuesday of Columbia, Inc. (4091); Ruby Tuesday of Frederick, Inc. (4249); Ruby Tuesday of Linthicum, Inc. (8716); Ruby Tuesday of Marley Station, Inc. (1641); Ruby Tuesday of Pocomoke City, Inc. (0472); Ruby Tuesday of Russellville, Inc. (1601); and Ruby Tuesday of Salisbury, Inc. (5432). The Debtors’ mailing address is 333 East Broadway Ave., Maryville, TN 37804.

Participating Non-Inside Employees (the “**KEIP/KERP Motion**”) [Dkt. No. 779].² In support of this Statement, the Committee respectfully submits as follows:

STATEMENT

1. The Committee reviewed and analyzed the proposed relief in the KEIP/KERP Motion. The Committee has no objections to the proposed KERP Payments. With respect to the proposed KEIP, the Committee understands that the Debtors will be filing a revised proposed order which will include the Committee’s comments, including (i) that payments to the Senior Leadership Employees under the KEIP shall only be made upon or following the occurrence of the Effective Date of the Plan and (ii) as a condition to a Senior Leadership Employee’s receipt of a payment under the KEIP, such employee shall not be entitled to, and must waive any claim or administrative expense against the estate for any potential severance payment. With these modifications, the Committee does not oppose the relief sought in the KEIP/KERP Motion.

2. However, the Committee’s agreement to entry of an order on the KEIP/KERP Motion should not be construed as agreement to the terms of the proposed Plan. As highlighted in the Disclosure Statement, the Committee does not believe the proposed treatment of unsecured creditors in the current proposed Plan is fair or appropriate. While the Committee has been engaged in active settlement discussions on the proposed Plan, no formal settlement has been reached. The Committee therefore reserves all its rights on the proposed Plan and is not waiving any objections or arguments as a result of entry of an order on the KEIP/KERP Motion.

² Capitalized terms used but not defined herein have the meanings ascribed to them in the KEIP/KERP Motion.

Dated: January 19, 2021

COLE SCHOTZ P.C.

By: /s/ G. David Dean

G. David Dean, Esq. (No. 6403)
Justin R. Alberto, Esq. (No. 5126)
Andrew Roth-Moore, Esq. (No. 5988)
500 Delaware Avenue, Suite 1410
Wilmington, DE 19801
Telephone: (302) 652-3131
Facsimile: (302) 652-3117
ddean@coleschotz.com
jalberto@coleschotz.com
aroth-moore@coleschotz.com

and

KRAMER LEVIN NAFTALIS & FRANKEL LLP

Adam C. Rogoff, Esq.
Robert T. Schmidt, Esq.
Jennifer R. Sharret, Esq.
1177 Avenue of the Americas
New York, NY 10036
Telephone: (212) 715-9100
Facsimile: (212) 715-8000
arogoff@kramerlevin.com
rschmidt@kramerlevin.com
jsharret@kramerlevin.com

*Counsel to the Official Committee of Unsecured
Creditors*